

Office of Regulatory Management
Economic Review Form

Agency name	State Board of Social Services
Virginia Administrative Code (VAC) Chapter citation(s)	22VAC40-880
VAC Chapter title(s)	Child Support Enforcement Program
Action title	Family Engagement Services
Date this document prepared	February 13, 2023
Regulatory Stage (including Issuance of Guidance Documents)	Fast-Track

Cost Benefit Analysis

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

<p>(1) Direct & Indirect Costs & Benefits (Monetized)</p>	<p>Direct Costs:</p> <p>This regulatory action is to codify an existing program on the advice of the Office of the Attorney General. The Department has a Family Engagement Services (FES) statewide team that provides and operates FES. Any ongoing administrative costs associated with this program are projected to be absorbed by the Division of Child Support Enforcement’s annual appropriation, which includes administrative staffing costs and commuting assistance payments made to help individuals in the program.</p> <p>Indirect Costs:</p> <p>N/A</p> <p>Direct Benefits:</p> <p>Family Engagement Services help to empower noncustodial parents by identifying barriers that hinder parents’ ability to provide emotional and financial support to their families. Participating parents are referred to community workforce partners to help build self-sufficiency through workforce skill development, training, and education to prepare for and secure gainful employment. Through a comprehensive range of personal support and employment services, parents are provided the guidance and referrals needed to sustain not only themselves but their families financially. FES case managers perform outreach with both parties on a case and develop a case action plan with the noncustodial parent to establish goals and objectives that assist in overcoming obstacles in their way. Through collaboration with community partners and other governmental agencies, FES provides the guidance needed to connect parents to resources to meet a family's needs in order to thrive.</p> <p>Indirect Benefits:</p> <p>A potential indirect benefit would be if a noncustodial parent with past-due child support obtains gainful employment; there would likely be a reduction in past-due, uncollected child support payments. If the case involves TANF, a portion of the TANF amount collected would also be used by the Department to offset operations because such payments represent reimbursements to the Commonwealth.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct & Indirect Costs</p>	<p>Direct & Indirect Benefits</p>
	<p>(a)</p>	<p>(b) Multiple Direct & Indirect Benefits that are currently unmeasurable.</p>

(3) Net Monetized Benefit	Due to data limitations, we estimate but cannot provide a definitive number that there have been additional arrears collections from participants since the formation of the statewide Family Engagement Services team in 2022.
(4) Other Costs & Benefits (Non-Monetized)	In addition, there are multiple direct and indirect benefits of this program that are unmeasurable. Some of the benefits include assisting participants with parenting skills, relationship skills, GED preparation, housing services, shelter referrals, health and mental health service referrals, vital records assistance, and other services that would assist in paying child support owed. These benefits lead to positive outcomes for program participants, improved whole-family relationships, and improved outcomes for the children of the participants.
(5) Information Sources	

Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)

(1) Direct & Indirect Costs & Benefits (Monetized)	Because issuance of the regulation is to codify existing practices on the advice of the Office of the Attorney General, failing to issue the regulation would diminish transparency for the public, remove an opportunity for public participation in codification of the program, and create legal uncertainty for a longstanding service.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)		
(5) Information Sources		

Table 1c: Costs and Benefits under Alternative Approach(es)

(1) Direct & Indirect Costs & Benefits (Monetized)	An alternative approach would be to end family engagement services. Removing supportive case referrals for child support participants would have incalculable effects on parents who struggle to meet their obligations and damage agency goodwill with the public.
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(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)		
(5) Information Sources		

Impact on Local Partners

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 2: Impact on Local Partners

(1) Direct & Indirect Costs & Benefits (Monetized)	There is no impact on local partners.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Other Costs & Benefits (Non-Monetized)		
(4) Assistance		
(5) Information Sources		

Impacts on Families

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 3: Impact on Families

(1) Direct & Indirect Costs & Benefits (Monetized)	In August 2022 the FES team was one of the first entities within the Department of Social Services to go live on the Unite Us Virginia community partner referral platform. FES leverages access to the Unite Us Virginia referral network, which allows FES case managers to identify community workforce partners in order to tailor referrals specific to a noncustodial parent’s needs. Since implementation in August 2022, 44 cases have been opened by FES staff on the Unite Us platform and 73 referrals have been made. The most common referrals were for employment, housing and shelter, benefits navigation, individual & family services, mental/behavioral health services, and education.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Other Costs & Benefits (Non-Monetized)	Improved data tracking and case management was a priority for the FES team in 2022. A new interactive FES Data Dashboard was developed utilizing DCSE data that interfaces with Microsoft Excel and Microsoft Teams to provide case managers with a weekly case management tool and valuable case data. It provides data points for all cases in their caseload and shows where the cases are in the procedural justice case management model. This data-driven approach to case management improves case outcomes and assists FES case managers in making informed decisions in their daily work. This project supports VDSS Strategy 3.2.2 - Track program participation and outcomes using data analytics, surveys, and formal evaluations.	
(4) Information Sources	The Unite Us secure online "Insights Dashboard" provides data to the FES Team Program Manger on all referrals made by the team on the referral platform. The Unite Us data is limited as it shows the FES referral being made but can be hindered by the referring agency not following up timely on the referral and does not reflect any outcome data based on that referral.	

Impacts on Small Businesses

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 4: Impact on Small Businesses

(1) Direct & Indirect Costs &	Family Engagement Services can generate secondary, positive effects through referrals and partnerships with local community partners. In
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Benefits (Monetized)	<p>addition, participants can learn new skills to support local community workforce needs. As an anecdotal example, FES is actively collaborating with the Solar Hands-On Instructional Network of Excellence (SHINE), and Southside Virginia Community College Workforce Development, with a 3-day training program that provides participants a clear path to becoming a certified solar installer. FES has been working diligently to identify and work with interested noncustodial parents to facilitate enrollment in this program. The up-and-coming career path in the growing solar industry can provide sustainable career opportunities and allow career advancement and improve long term successful outcomes for parents.</p> <p>The FES team initially identified 5 potential parents interested in enrolling and has established the first intake date for potential students to begin the class in February 2023. If this proves successful, the goal is to review the FES caseload on an ongoing basis to identify other parents that are interested in this opportunity and assist them in making the connection to this valuable resource.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Other Costs & Benefits (Non- Monetized)		
(4) Alternatives		
(5) Information Sources	FES Team Program Manager, Greg Harrison provided details on the FES Team collaboration with the SHINE initiative. The team maintains an Excel spreadsheet to manually track the interested parents for this educational opportunity.	

Changes to Number of Regulatory Requirements

For each individual VAC Chapter amended, repealed, or promulgated by this regulatory action, list (a) the initial requirement count, (b) the count of requirements that this regulatory package is adding, (c) the count of requirements that this regulatory package is reducing, (d) the net change in the number of requirements. This count should be based upon the text as written when this stage was presented for executive branch review. Five rows have been provided, add or delete rows as needed. In the last row, indicate the total number for each column.

Table 5: Total Number of Requirements

	Number of Requirements			
Chapter number	Initial Count	Additions	Subtractions	Net Change
880	52	0	0	0
TOTAL	52	0	0	0

The new sentence in amended Section 390 has no substantive impact; it merely clarifies the existing language. New sections 800 and 810 authorize optional service programs. Although these programs have requirements when implemented, programs remain discretionary and, therefore, do not increase requirements on the agency. With the exception of court-ordered participation, participation is voluntary for parents; while participation has requirements, enrolling in administrative programs is discretionary and does not increase requirements on the public. Court-ordered participation is involuntary; however, the mandatory nature of a court order is not a requirement of the regulation – it is a requirement arising under judicial administration.